

INCOMING TELEGRAM

Action Assigned to *CA E*

Action Taken

138
SECRET

EXCISE

Date of Action

otion: FE

Info:

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OR

Control Action Office Symbol *CA*

Rec'd March 11, 1950

Dir: *Wu*
DC/R

MAR 13 1950

FROM: Taipei

TO: Secretary of State

NO: 394, March 10, 3 p.m.

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY *L. Apter* DATE *1/9/82*
PORTIONS DENIED AS INDICATED

SENT DEPARTMENT: REPEATED HONG KONG 105

Evening before last K. C. Wu said he had gotten word to Chen Cheng through friends that he could not continue as Governor, unless Chen guaranteed him freedom carry out policies. Chen thereupon invited him to lunch yesterday, before nomination approved by Legislative Yuan, to discuss question.

Wu stated told Chen very directly that Chen knew nothing about economic and financial affairs, that C. K. Yen was able but too weak for present situation, and that Provincial Government must continue control these fields.

Chen apparently made no commitments, saying he would decide questions after appointment confirmed. Did say would not hold any ministerial post concurrently, also denied Wang Shih-chieh to be vice premier. Wu of opinion Wang may well be placed in post at Generalissimo's insistence. Also agrees Legislative Yuan not like Chen but afraid to oppose. CC clique "buttering up" Chen by ostentatiously calling for support for him.

Although Generalissimo has promised continued support, Wu obviously does not expect to be able to continue in job on his terms. Will quit when becomes apparent cannot continue his policies (this may be another effort Generalissimo to divide and rule).

Wu claims

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TAKE RECORD COPY:

THIS COPY MUST BE RETURNED TO DC/R CENTRAL FILES WITH NOTATION OF ACTION TAKEN.

794A. 00/3-1050
DC/R Central Files

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-2- #394, March 10, 3 p.m. from Taipei

Wu claims to be insisting on care in arrests in order not harm innocents.

[REDACTED] Is also pressing corruption cases here and Kaohsiung*.

Wu pointedly avoided internal politics during maneuvering over Chen Cheng appointment. He did welcome my invitation to private dinner immediately after Chen confirmed. I let him bring up question of Chen rather than doing so myself, and he did so in very abrupt fashion. In Wu's opinion, Chen as premier will have very adverse effect on fortunes of Formosa. Signed Strong.

STRONG

*is received.

DM:HJC

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